Economic Impact of Special Economic Zones-A Study of Uttar Pradesh

Synopsis

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INTRODUCTION

A Special Economic Zone (SEZ) is a geographical region that has economic laws that are more liberal than a country's typical economic laws. The category 'SEZ' covers abroad range of more specific zone types, including Free Trade Zones (FTZ), Export Processing Zones (EPZ), Free Zones (FZ), Industrial Estates (IE), Free Ports, Urban Enterprise Zones and others. Special Economic Zone (SEZ) is a duty free area which is meant for the purposes of trade operations, duties and tariffs for investors. SEZs are specifically demarcated areas within the country where raw materials and capital goods can be imported duty free from abroad or the domestic market and a special package of tax holiday and incentives are given with a view to boost exports from the country. Manufacturing and Services operations are allowed in a SEZ.

A special economic zone (SEZ) is an area in which the business and trade laws are different from the rest of the country. SEZs are located within a country's national borders, and their aims include increased trade balance, employment, increased investment, job creation and effective administration. To encourage businesses to set up in the zone, financial policies are introduced. These policies typically encompass investing, taxation, trading, quotas, customs and labour regulations Additionally, companies may be offered tax holidays where upon establishing themselves in a zone, they are granted a period of lower taxation.

The creation of special economic zones by the host country may be motivated by the desire to attract foreign direct investment (FDI). The benefits a company gains by being in a special economic zone may mean that it can produce and trade goods at a lower price, aimed at being globally competitive .In some countries, the zones have been criticized for being little more than labor camps with workers denied fundamental labor rights.

SEZ – A HISTORICAL BACKGROUND

Right from the beginning of 21st century, India has progressively opened up its economy to face the new challenges effectively and utilize the opportunities positively. Considering the importance to enhance foreign investment and promote exports from the country. Realizing the need that the field of business play must be available to domestic enterprises and manufacturers to be competitive globally, the government had announced the introduction of Special Economic Zones (SEZs) policy on April

2000, through a revision in the Export and Import policy (EXIM) 1997-2002.India was one of the first in Asia to recognize the effectiveness of the Export Processing Zone (EPZ) model in promoting exports, with Asia's first EPZ set up in Kandla in 1965. With a view to overcome the shortcomings experienced on account of the multiplicity of controls and clearances; absence of world-class infrastructure, and an unstable fiscal regime and with a view to attract larger foreign investments in India, the Special Economic Zones (SEZs) Policy was announced in April 2000.This policy intended to make SEZs an engine for economic growth supported by quality infrastructure complemented by an attractive fiscal package, both at the Centre and the State level, with the minimum possible regulations. SEZs in India functioned from 1.11.2000 to 09.02.2006under the provisions of the Foreign Trade Policy and fiscal incentives were made effective through the provisions of relevant statutes.

To instill confidence in investors and signal the Government's commitment to a stable SEZ policy regime and with a view to impart stability to the SEZ regime thereby generating greater economic activity and employment through the establishment of SEZs, a comprehensive draft SEZ Bill prepared after extensive discussions with the stakeholders. A number of meetings were held in various parts of the country both by the Minister for Commerce and Industry as well as senior officials for this purpose. The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd of June, 2005. The draft SEZ Rules were widely discussed and put on the website of the Department of Commerce offering suggestions/comments. Around 800 suggestions were received on the draft rules. After extensive consultations, the SEZ Act, 2005, supported by SEZ Rules, came into effect on 10thFebruary, 2006, providing for drastic simplification of procedures and for single window clearance on matters relating to central as well as state governments.

OBJECTIVES OF SPECIAL ECONOMIC ZONE

Special Economic Zone - The establishment of SEZs has been a top priority on the agenda of governments and policy makers to encourage and upgrade the process of industrialization, attract Foreign Direct Investment (FDI) for export-oriented production, and lay down the foundation of

robust economic growth. The governments have concentrated on developing facilitation centres, dedicated areas, and investor-friendly policies to encourage exports and value up-gradation.

SEZ are established to achieve multiple policy Objectives:

- The First Objective is to attract FDI & promote exports with industrialization or up gradation of the existing industry.
- The Second Objective is to reduce unemployment in remote &alienated area at large.
- The Third Objective is to facilitate an economic policy or take benefits of bilateral economic engagement between countries.
- The Fourth Objective is to use the SEZ as an experimental place for the application of certain approaches and policies.
- The Fifth Objective is the development of a system that improves the all quality of life.

These Objectives cannot be fulfilled without having its physical realization. This means that the location aspects for an SEZ development is essential and the economic concept should have a physical significance. Location of an SEZ should be feasible for the industrialization with enough demand, need and resources. The physical factors of the SEZ in terms of size and type also matter as there is a direct correspondence of the zone with the region conceived as a system.

SEZ Amendment Bill 2019: A Boost to Economic Activities and Employment

The Special Economic Zones (Amendment) Bill 2019 - which was passed by the Parliament last week allowing "trusts or any entity" to set up units in the Special Economic Zone (SEZ) - is aimed at boosting investment and generate employment in a wide range of economic activities, including in the infrastructure sector.The SEZ (Amendment) Bill 2019 replaced an ordinance of March 2019, which amended the SEZ Act of 2005 to add two new categories - "trusts or any entity, as may be notified by the Central Government" - among those eligible for setting up units in the notified SEZs.

Major beneficiaries of the amendment are likely to be the business trusts, port trusts and other trusts engaged in a wide range of economic activities, besides utilising vacant land in SEZs.

Amendment - Introduced - 24 June 2019 , Passed - 26 June 2019

In section 2 of the Special Economic Zones Act, 2005, in clause (*v*),—

1.After the words “local authority”, the words “, trust or any entity as may be notified by the Central Government” shall be inserted;

2.For the words “authority or company”, the words “authority, company, trust or entity” shall be substituted

Role of SEZ in Indian Economy

- To Provide International Competitive Environment.
- To Encourage FDI and enhance GDP.
- To increase share in global Exports.
- Infrastructure Development

TABLE- 1 FACTSHEET ON SPECIAL ECONOMIC ZONES AS ON 30-9-2020

Number of Formal Apporval			426		
Number of Notified SEZs			358 (7 Central Govt + 12 State Govt./Private Scctor SEZs set up Prior to the enactment of SEZ Act,2005)		
Number of In-Principle			33		
Operational SEZs			262(Break up:25 are multi product SEZ remaining are sector specific		
Units approved in SEZs			5537		
(1) Employment	Employment (as on Feb,2006)		Incremental Employment	Total Employment(as on 30 sep 2020)	
Central Government SEZs	1,22,236 Persons		58,249 Persons	1,80,485 Persons	
State/Pvt.SEZs set up before 2006	12,468 Persons		84,450 Persons	96,918 Persons	
SEZs Notified under the Act	0		19,56,515 Persons	19,56,515 Persons	
Total	1,34,704 Persons		20,99,214 Persons	22,33,918 Persons	
(2) Land for SEZs (as on 31 oct 2020)	Central Govt.+ 12 State Govt./Pvt.SEZ Act,2005	Notified SEZs under the SEZ Act,2005	Total Notified SEZs Area (1+2)	Formally Approved SEZs	Total(3+4)
	(1)	(2)	(3)	(4)	(5)
	2172.75 Ha	39910.72 Ha	42083.47 Ha	5501.03 Ha	47584.5 Ha
(3) Exports in 2019-20 DTA Sale (Deemed Exports) DTA Sale (Not Counted for +ve NFE)			Rs. 7,96,669 Crore (Growth of 13.62% over 2018-19) Rs. 19,662 Crore (2% of Total Production) RS. 1,14,445 Crore (12% of Total Production)		
Exports in 2020 -21 (As on Sep 2020) DTA Sale (Deemed Exports) DTA Sale (Not Counted For +ve NFE			Rs.3,49.363 Crore (Decrease of – 8.52% over the Exports the Corresponding period of FY 2020-21 Rs.8,550 Crore (2% of Total Production) Rs. 38,455 Crore (10% of Total Production)		

(Source – www.sezindia.nic.in)

Table-2 OVERVIEW OF SPECIAL ECONOMIC ZONES

Name	Definition
1.Free-Trade Zones	A free-trade zone (FTZ) is a geographic area where goods may be landed, manufactured, stored, handled, or reconfigured, and re-exported under definite customs guidelines and generally not subject to customs duty. Free-trade zones are denoted to as "foreign-trade zones" in the US. In other countries, they have been called duty free export processing zones, export free zones, export processing zones, free export zones, free zones, industrial free zones, and investment promotion zones. Free trade zones are generally organized around major seaports, international airports, and national frontiers which are mostly areas with many geographic advantages for trade.
2.Export Processing Zones	An export-processing zone (EPZ) is a precise type of FTZ, set up usually in developing countries by their governments to endorse industrial and commercial exports. It is an industrial estate, usually a fenced-in area of 10 to 300 hectares that specializes in manufacturing for export. Its purposes are to entice foreign investors, collaborators, and purchasers who can ease entry into the world market for some of the economy's industrial goods, thus producing employment and foreign exchange. It offers firms free trade conditions and a copious regulatory environment.
3.Free Economic Zones	Free economic zones (FEZ), free economic territories (FETs) or free zones (FZ) are terms used to designate areas in which companies are taxed very lightly or not at all to inspire economic activity. For instance, in the Philippines, we have Subic Bay Freeport Zone, which is the first Freeport in the Philippines, and Clark Freeport Zone. The taxation rules are determined by each country.
4.Industrial Estates	An industrial park or industrial estate or trading estate is an area zoned and planned for the purpose of industrial development. An industrial park can be thought of as a more heavyweight version of a business park or office park, which has offices and light industry. They are usually located outside the main residential area of a city, and normally provided with good transportation access, including road and rail. Many small communities have established industrial parks with only access to a nearby highway and with only the basic utilities and roadways. However, to cite the best example of an industrial park, you may check out our industrial parks here at SPPI.
5.Bonded logistics Parks	Bonded logistics parks cater to trade arrangements that are similar to that of a bonded warehouse but over a specific geographic area, sometimes with international port capabilities. BLPs are designed to improve the environment for both foreign-invested and domestic enterprises, and encourage the development of resident regional economies by offering more effectual logistics and ocean freight services.
6.Urban Enterprise Zone	Finally, we have Urban Enterprise Zones. They are areas in which policies to inspire economic growth and expansion are realized. They are a type of special economic zone where companies can locate free of particular local, state, and federal taxes and restrictions. Urban enterprise zones are envisioned to reassure development in deprived neighbourhoods through tax and regulatory respite to entrepreneurs and investors who launch businesses in the area.

Source: https://en.wikipedia.org/wiki/Special_economic_zone

Table 3 LIST OF OPERATIONAL SEZ IN UTTAR PRADESH AS ON 13-7-2020

(A) Central Government SEZs set up prior to the enactment of SEZs Act , 2005			
S.No	**NAME OF SEZ**	**LOCATION**	**TYPE OF SEZ**
1.	Noida Special Economic Zone	Noida-Dadri Road, Phase-II, Noida, Uttar Pradesh	Multi- Product

(B) **State Government/ Private Sector SEZs set up prior to the enactment of SEZs Act,2005**			
S.no	**NAME OF SEZ**	**LOCATION**	**TYPE OF SEZ**
1.	UPSIDC /Moradabad Special Economic Zone	6th KM Pakbara-Dhingarpur Road,Moradabad, Uttar Pradesd	Handicraft

(C) SEZs notified under the SEZ Act,2005			
S.no	**NAME OF DEVELOPER**	**LOCATION**	**TYPE OF SEZ**
1	Wipro Ltd.	Plot No. 2, 3 & 4, Knowledge Park – IV, IT Park, Greater Noida, Uttar Pradesh	IT/ITES
2	Moser Baer India Pvt.Ltd	66B, Udyog Vihar, Greater Noida, Uttar Pradesh	Non- Conventional energy
3	Ansal IT City and Parks Ltd.	Plot No. TZ-6, Techzone, Greater Noida, Uttar Pradesh	IT/ITES
4	Seaview developer Pvt.Ltd	Plot No.20&21,Sector-135,Noida, Uttar Pradesh	IT/ITES
5	HCL Technologies Limited	Plot No. 3A,3B&2C Sector-126 Noida,Uttar Pradesh	IT/ITES
6	NIIT Technologies Limited	TZ-2&2A,Sector Techzone,Greater Noida,Uttar Pradesh	IT/ITES
7	Oxygen Business Parks Pvt.Ltd	Plot No.7,Sec-144,Noida,Uttar Pradesh	IT/ITES
8	Artha Infratech Pvt.Ltd	Plot No.21, Sector-Techzone IV,Greater Noida Uttar Pradesh	Electronic Hardware and Software including IT/ITES
9	Arshiya Northern FTWZ Limited	Village Ibrahimpur, Junaidpur Urf,Moujpur,Bulandshar(Uttar Pradesh)	Free Trade and Warehousing Zone
10	Golden Tower Infratech Pvt.Ltd	Plot No.8,Sector-144,Noida,Uttar Pradesh	IT/ITES
11	HCL IT City Lucknow Pvt.Ltd	Vill: Kanjahera & Mastemau, Chuk Gajaria Farms, Sultanpur Road, Lucknow, Uttar Pradesh	IT/ITES
12	Tata Consultancy Service Limited SEZ	Noida	IT/ITES

[Source-**www.nsez.gov.in**]

REVIEW OF LITERATURE

A literature review is a scholarly Research work that presents the current knowledge including substantive findings as well as theoretical and methodological contributions to a particular topic. For knowing the present state of knowledge and research work, the researcher reviewed the following studies:

Table-4 Review of Literature

S.NO	AUTHOR	YEAR	TITLE	OBJECTIVE	FINDINGS
1	Aradhna Aggarwal[1] Ari Kokko[2]	2021	SEZs and poverty reduction: evidence from Andhra Pradesh, India	This Paper evaluates the impact of special economic zones (SEZs) on poverty, both rural and urban with special reference to Andhra Pradesh in India	Result of this Study: 1. The effects of SEZs on urban poverty are found to be different from those on rural poverty. 2. It is also revealed that the districts with multiple SEZs experienced larger effects than those with only one or two SEZs. 3. Overall, the SEZs did have positive expenditure effects, but this transition might have been accompanied by heightened inequality between the rural and urban areas.
2	Jasvinder Kaur[1] Kamaljit Singh[2]	2020	"Impact of Special Economic Zone on Indian Economy"	Objective of this Study:- To study the current status of Special Economic Zones (SEZs) along with the investment in SEZs and employment generated by SEZs in India.	Findings of this Study:- 1. In the case of employment generation, SEZs have generated employment for around 18, 42,512 persons during the period of February 2006 to 31st March 2018. 2. Apart from these, SEZs have

					attracted a huge amount of investment due to several incentives and facilities offered to the units in SEZs. 3. In brief, the results reveal that SEZs have been playing an important role in FDI attraction and employment generation in the country.
3	JK Shalini	2020	"A Study on Export Performance of Special Economic Zone in India"	1.To analyse and compare the current status and performance of SEZ's India in terms of investment, employment and exports 2. To determine the impact of investment & employment on the export performance of the selected SEZ zones.	Findings of this Study:- 1. From the percentage analysis, it can be observed that, a steady increase in the export performance has been recorded. 2. The export and employment generation objectives of the SEZ should not result in conceding the quality of the working conditions within the zones. The country has been significant investment destination for the foreign investors apart from the domestic private corporate bodies. 3. The SEZ's could radically expand the economic activity in the country; make the country's export viable and globally evident.
4	Mariya Brussevich	2020	"The Socio-Economic Impact of Special Economic Zones:	This study examines the socio-economic impact of special	Findings of the Study:- The study finds that entry of SEZs

			Evidence from Combodia	economic zones (SEZs) in Cambodia---a prominent place-based policy established in 2005. 2.The paper employs a database on existing and future SEZs in Cambodia with matched household surveys at the district level and documents Stylized facts on SEZs in a low income country setting.	disproportionately benefits female workers and leads to a decline of income inequality at a district level. 2.The findings also suggest that land values in SEZ districts tend to rise while wage levels remain largely unchanged relative to Other districts. 3.In addition, the paper tests for socio-economic Spillovers to surrounding areas and for agglomeration effects associated with clusters of multiple SEZs.
5	Adiwan F. Aritenang[1] Aryani N. Chandramidi[2]	2020	"The Impact of Special Economic Zones and Government intervention on Firm Productivity: The Case of Batam,Indonesia"	Objective of this Study :- 1. The study examines the effects of industrial zones, foreign investment and government intervention on firm productivity, using an ex-post evaluation method and econometric models. 2.The paper does not find conclusive evidence that Batam's status as an SEZ affects firm productivity and growth.	1. This paper concludes that government policies should stimulate innovation and inter-firm cooperation to increase knowledge spillovers and technology transfer instead of focusing on attracting investment. 2.This paper suggests that firms with more low-skilled labour have lower levels of productivity.
6	Murlidhar Panga[1] Arpan Shrivastava[2]	2020	A study on export performance of special economic zones (SEZs) and export oriented units (EOUs) of Madhya Pradesh (India)	Objective of Research Paper was to evaluate the performance of SEZ Pithampur and the Export Oriented Units located in Mandideep.	The result found that there is a positive relationship between SEZ exports and total exports from India, and there is no significant impact of EOUs located in

					Mandideep total exports from India.
7	Babita[1] N.K Bishnoi[2]	2019	"A Social Benefit Cost Analysis of Special Economic Zones in India: A Study in India: A Study of Noida SEZ"	The Objective of this Research paper is to examine this issue, we carried out a social benefit–cost analysis (SBCA) on Noida Special Economic Zone (NSEZ) within the context of enclave model for the period of 2009–2016.	Findings :- 1.The result shows the positive net present value and benefit–cost ratio greater than one under Methodological Assumptions. 2. One interesting findings of the study is that NSEZ is generating positive gains to economy with the absence of various market distortions which could otherwise reduce the realised benefits.
8	Douglas Zhihua Zeng[1]	2019	"Special Economic Zones: Lessons from the Global Experience"	Objective of this study are as follows- 1. What strategy will enable developing countries to effectively harness the power of industrial parks to upgrade industry and achieve economic transformation? 2. This paper addresses these questions, and sheds light on key related issues for policymakers in developing countries.	Our assessment of economic impacts of SEZs reveals that while they are stimulating direct investment and employment, their role appears to be more valuable in bringing about economic transformation. Our study of implementation of the SEZ policy shows that our SEZs have the potential of benefiting the economy by • shifting the resources from low productivity agriculture to more productive activities; • promoting new knowledge intensive industries; • augmenting existing industrial

					clusters/industrial states; • diversifying the local industrial base; • localizing global value chain; • converting vicious circles into virtuous circles; and • Encouraging shift of economic activity from unorganized to organized sector.
9	Dr.Nidheesh K. B.	2018	"Special Economic Zone Model for Sustainable Development"	To overcome issues of special economic zones in India researcher suggested a model for the sustainable development.	The outcomes or benefits derived from the operating of special economic zones are earning foreign exchange by transferring goods and services, creating employment opportunities to both skilled and unskilled workers, generating investments from both domestic and outsides, benefits generated from additional economic activities, reducing economic imbalance and sustainable development.
10	Adam A. Ambroziak[1] Christopher A. Hartwell[2]	2018	"The impact of investments in special economic zones on regional development: the case of Poland"	Objective of the paper is to capture the impact of investment in Special economic on regional development	The analysis of paper shows that SEZs have had a strongly positive impact upon the development of the least developed regions in Poland, while in relatively richer ones the effect was weak or even negative.
11	Olga Sinenko[1]	2017	"Comparative	The objective of	The results of the

	Igor Mayburov[2]		Analysis of the Effectiveness of Special Economic Zones and Their Influence on the Development of Territories"	this article is to perform a comparative analysis of SEZ of industrial type that won the global free zones of the Year 2015 awards	analysis prove that the SEZs have a positive effect on the development of their home territories, for example, by driving up direct foreign investment and GPD per capita. At the same time, SEZs have no influence on the size of the population and the unemployment rate there.
12	Ajeet Kumar[1] Sanjiv Kumar[2]	2017	A Study of Performance of SEZs in Haryana	The objective of the present study is to analyze the current status, performance and impact of SEZs in Haryana	Through this paper an attempt was made to study the current status and performance of SEZs in Haryana. 1. CAGR of total exports of Haryana's SEZs was 0.331 while the CAGR of total exports SEZs in India was -0.00621 from year 2012-13 to 2015-16, which shows that performance of SEZs of Haryana was better than export performance of Total SEZs in India. 2. The percentage share of exports of Haryana's SEZs in total exports of SEZs in India increases from 1.048% to 1.9280% from year 2013-13 to 2015-16. 3. The study found that factors like duty drawback scheme to exporters outside SEZs,

					attractiveness towards information technology, poor rehabilitation policy, economic downturn, countervailing duties, difficulty in land acquisition and poor infrastructure facilities contributes towards below expectation performance of SEZs in Haryana. The study also considers the economic, social and environmental impact of SEZs in Haryana.
13	Anuj Garg	2017	Performance Appraisal of SEZ in India	In this paper "Performance Appraisal of SEZ in India", an attempt is made to critical examine the elements of SEZ.	Finding of the Study: SEZs have resulted in positive outcomes in the country in terms of employment, exports and investments, yet, the concept of SEZs in India is critically argued because of several other bottlenecks. The foremost issue which overrun the positive results of SEZs in India is acquisition of farmland for establishing SEZs in the country.
14	Dr. Shely Rastogi[1] Dr. Prateek Gupta[2] Dr. S. K. Agarwal[3]	2015	"Economic growth in India through SEZ: a case study of Noida special economic zone, Noida"	Objective of the Study are as follows: 1.To examine the Functioning and appraise the performance of NSEZ. 2. To investigate the factors	There are always various factors which affect the working procedure of a firm / corporation / organization, same happens with NOIDA SEZ. Both internal and

				affecting NSEZ and assess future plans of it. 3. To study the steps taken by the Government of India regarding NSEZ	external factors affect the zone in positive as well as negative way. For executing plans positively, the authority of the zone has to take wise steps and to focus sharply over the units operated in the zone and new units to be setup and their developers. Regarding it, the zone is also planning to provide more benefits to the units and their developers. No doubt that NOIDA SEZ is doing extremely well since its origin in all areas but still requires more initiatives to be taken for further development
15	Dr.Honrao Parmeshwar M.	2015	"Special Economic Zones (SEZ's) and its Impact on Employment"	1. To identified the impact of SEZ on Employment generation in Pune area. 2. To examine current and total employment by notified SEZs in Pune area. 3. To examine the government policy on SEZs.	Findings of the Study: 1.The composition of employment generation at the average level indicates that near about 80% of Employment is being generated directly. 2. In the composition of employment generation in pune area by sezs, the IT/ITES SEZs stands at the top both in current employment and total employment. 3. Units are providing direct employment to over 193,316

					persons, out of which 64675 (33.45%) are Women.
16	Bodo Herzog, Martina Weberru	2012	Impact of Special Economic Zones to FDI in India	Under this Research paper First empirical assessment with new data from 1980 to 2010 and evaluate the outcome after 10 years.	Conclusion of the Study: 1. Special economic zones attract FDI statistical significantly and Positive. 2. Open economies with stable inflation attract more FDI than small and closed economies.
17	Dr. A. Abdul Raheem	2011	"Impact of special economic zone (SEZ) on human development and poverty reduction: an Indian experience"	Objective of this paper is to examine the impact of Special Economic Zone (SEZ)on human development and poverty reduction in India	In India, the government has been proactive in the development of SEZs. They have formulated policies, reviewed them occasionally and also ensured that ample facilities are provided to the SEZ developers as well as the companies setting up units in SEZs. 1. These favourable conditions resulted in the biggest ever Corporate rush for the development of SEZs in India. Over 234 companies received formal approval, 162 companies received in-principle approval and 100 companies received notification to set up SEZs. 2. The Indian government is expecting an

					investment to the tune of Rs.53, 561 crore(USD 13274 million) and an additional job creation for 15,75,452 individuals in SEZs by December 2009.
18	Nirali Pandit, Vijaylaxmi Char	2011	"Growth impact of SEZs in Gujarat"	The present paper comes with the objective of investigating whether Special Economic Zones (SEZs) have been a growth driver in Gujarat or not.	Analysis of geographic spread of SEZs in Gujarat and their activity pattern prove that establishment of SEZs is motivated quite by government policies and little by natural industrial – economic location factors. This can be seen in the facts that (1) there are large numbers of SEZs in non-industrial districts like Gandhinagar (2) there are industries set up in districts which have no industrial history of the same eg. IT/ITES in Ahmadabad and multiproduct SEZ in Jamnagar (3) and though a particular district has a history of a particular industrial base, no SEZ related to that industry has been set up there, on the contrary, SEZ with a totally new and diversified industry has also been set up.
19	Aradhna Aggarwal	2010	"Economic Impacts of SEZs:	The Objective of this study are as	Our assessment of economic impacts

			Theoretical Approaches and Analysis of Newly Notified SEZs in India"	follows: •clear the mist over the SEZ concept; • trace economic philosophies explaining the rationale and benefits of SEZs in general, and, in India, in particular; • propose extensions in the existing theoretical literature; • to assess the economic impacts of newly notified SEZs in India; • to review the strategies followed by various state governments in the implementation of the policy ; and • to draw policy implications	of SEZs reveals that while they are stimulating direct investment and employment, their role appears to be more valuable in bringing about economic transformation. Our study of implementation of the SEZ policy shows that our SEZs have the potential of benefiting the economy by • shifting the resources from low productivity agriculture to more productive activities; • promoting new knowledge intensive industries; • augmenting existing industrial clusters/industrial states; • diversifying the local industrial base; • localizing global value chain; • converting vicious circles into virtuous circles; and •Encouraging shift of economic activity from unorganized to organized sector.
20	V.Devadas,Vaibhav Gupta	2009	"Planning for Special Economic Zone: A Regional Perspective"	This paper attempts to study the policy of Special Economic Zones and its role in the development process as these zones are responsible for	Special Economic Zones could be planned for desired integrated development in a region rather than benefiting only developed cities, so that this economic

				employment generation through Industrial development along with other objectives of reviving ancillary industries, resolving housing problems, accelerate economic growth, infrastructural development, etc	policy can ultimately achieve economic growth of the country expected by the government.
21	Aradhna Aggarwal	2007	"Impact of Special Economic Zones on Employment, Poverty and Human Development"	1.This study aims at examining the impact of Special Economic Zones (SEZs) on Human development and poverty reduction in India. 2. .It identifies three channels through which SEZs address these issues: Employment, generation skill Formation (Human capital development), and technology and knowledge up gradation.	1. The analysis reveals that 'employment generation' has been the most important channel through which SEZs lend themselves to human development concerns, in India. 2. Employment generated by zones is remunerative. Wage rates are not lower than those prevailing outside the zones. 3. The role of SEZs in human capital formation and technology up gradation is found to be rather limited.

RESEARCH GAPS AND NEED OF THE STUDY

The above literatures proved beneficial in identifying the following research issues and research gaps.

- Most of Studies have been conducted to study the Export Performance of SEZs.
- Number of studies analyzes the effect of SEZs on foreign investment.
- Most of Studies were analysing the problem of Land acquisition for SEZs in India.
- Number of studies analysing the relationship between employment opportunities in Indian Economy due to SEZs.

In this proposed Study, an attempt will be made to measure the Economic Impact of Special Economic Zone in Uttar Pradesh based on certain parameters.

Therefore, in the Current Study an effort has to study the Economic Impact of SEZs in UP.

RESEARCH QUESTIONS

On the basis of Review of Literature the following Research Questions Aries:-

1. Is there any relationship between Special Economic Zone and Economic Development in Uttar Pradesh?

2. Does there any action plan for the Development of Special Economic Zone in Uttar Pradesh?

3. Is there any Role of SEZs in Sustainable Development?

OBJECTIVES OF THE STUDY

1. To Study the Rationale of establishment of Special Economic Zone in India and Related Government Policies.

2. To Analyze the performance of SEZ in UP on the basis of selected parameters.

3. To Examine the Economic Impact of SEZ on the Economy of Uttar Pradesh.

4. To Find the Role of SEZ in Sustainable Development of Uttar Pradesh.

5. To Suggest an action plans for the Development of SEZs.

HYPOTHESES OF THE STUDY

To give a scientific base to the study, researcher will test the following hypotheses:

H_{01}: There is no significant impact of Special Economic Zone on Economic Development of Uttar Pradesh

H_{02}: There is no significant relationship between Employment Generation and Special Economic Zone.

$H_{03:}$ There is no significant relationship between Economic Infrastructure and Special Economic Zone

$H_{04:}$ There is no significant relationship between Foreign Direct Investment and Special Economic Zone.

The Researcher may also frame other hypotheses during the Study.

INDICATOR

Indicators are data or combination of data collected & processed for a clearly defined analytical or policy purpose. The growing demand for social & economic indicator from policy makers is a result of this perceived imbalance. Indicators are not an end in themselves.

Socio - economic is that part of one's life where economic activity affecting and shaping social aspects of life. In general, it analyzes how societies progress, stagnate, or regress because of their local or regional or the global economy.

ECONOMIC INDICATORS

An economic indicator is a piece of economic data, usually of macroeconomic scale, that is used by analysts to interpret current or future investment possibilities. These indicators also help to judge the overall health of an economy.

Table -5 Economic Indicator

S.No	INDICATORS
1	Employment - Number of Jobs Created
2	Per Capita Income
3	Economic Infrastructure - Transportation- Number of road, Bridges, rails and airports builds in that Area, Energy Supply System, Financial Institute and Markets, Home Building.
4	Annual Growth Rate of GDP
5	Export Performance
6	Foreign Direct Investment
7	Other Socio-Economic indicator of Sustainable Development like Health Facilities,Education,Poverty

RESEARCH DESIGN AND METHODOLOGY

To make the present study scientific and systematic the researcher would like to use following Research methodology:

Research Design

The Present Study Focuses on Analytical and Exploratory Research Design.

Scope of the Study

The study will be based on 14 notified SEZs of Uttar Pradesh (Table-3)

Duration of the Study

Proposed study will include the data from the year 2005 to 2023

Collection of Data

The proposed research will be based on primary data and secondary data both.

Primary Data Primary data will be collected through questionnaire, schedule and Personal interview.

Questionnaire/Schedule- will prepare for:-Employee of SEZs, Managerial Staff of SEZs firms, Government officials and others.

In addition to this personal interview will also be conducted to get in depth knowledge and information.

Secondary Data – It is simply the analysis of pre-existing data in a different way or to answer a different question than originally indented. Secondary data will be collected from central and state government's websites, brochures, magazines, articles, and journals reports, Municipal Corporation, National Highways Authority of India National Highways and Infrastructure Development Corporation Limited etc. All data related SEZs published by ministry and research papers will also be reviewed time to time.

Sample Used

Sample Techniques – Sample will be collected by Random Sampling Technique

Sample Size- 1.Sample of 400 firms working under SEZs to know the Economic impact of SEZ on Uttar Pradesh

2.Sample of 120 Managerial People like – Expert, Managerial of SEZs to know their view on Development plan and Strategy of SEZs.

METHODOLOGY

Table 6 Following Methodology is adopted for the proposed study

S. no	Objectives	Data Collection	Methodology
1	To Study the Rationale of establishment of Special Economic Zone in India and Related Government Policies.	Data will be collected through secondary sources like Minister of commerce and industry, Internet Sources,	The available literature and Secondary data will be used to accomplish this objective.
2	To Analyze the performance of SEZ in UP on the basis of Selected Parameters.	The study will be based on secondary data which will be collected from handbook of Reserve Bank of India , Website of SEZ and reports of working committees on SEZ.	To achieve this objective researcher will used Time Series Analysis, tables, graphs, Percentages, inferential Statistical tools and Paired t test to test hypothesis.

3	To Examine the Economic Impact of SEZ on the Economy of UP.	Data will be collected through Questionnaire/Schedules and interview which will be framed and structured.	Economic Impact of SEZ will be Studied in Uttar Pradesh through Causality Analysis.
4	To Find the Role of SEZ in Sustainable development of UP.	To achieve this objective data will collected from primary and Secondary sources.	As per the Analysis of previous objective Suggestion will be provided.
5	To Suggest an Action Plans for the development of SEZs.	To achieve this objective data will collected from Secondary sources.	Action Plan for the development of SEZs would be suggested on the basis of findings of the study.

CHAPTERAIZATION

CHAPTER 1: Introduction

CHAPTER 2: Research Design and Methodology

CHAPTER 3: Analysis I- Performance of SEZs in Uttar Pradesh

CHAPTER 4: Analysis II- Impact of SEZs on Economic Development of Uttar Pradesh

CHAPTER 5: Findings and Suggestion

CHAPTER 6: Conclusion, Implication and future Scope of Research

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- **Journal of Development Economics**
- **Journal of Applied Business Economics**
- **Journal of Advance in Management**
- **International Journal of Advance Research in Science and Engineering**